

CODE	Section III                      INCENTIVE ARRANGEMENTS (JOINTLY CONDUCTED BY CO AND RO) <div>Use Worksheet WS-IA1</div>
	BENEFICIARY EDUCATION AND DISCLOSURE
IA01	The M+CO member materials (either through the EOC, the annual notice, or by some other means) annually disclose to enrollees their right to information related to physician incentives. 42 CFR 422.210(b), 422.208 National Marketing Guidelines <div>[ ] MET [ ] NOT MET [ ] NOTE</div>
IA02	The M+CO provides adequate information to enrollees and potential enrollees on a timely basis when physician incentive information is requested. 42 CFR 422.210(b), PIP Disclosure Packet. <div>[ ] MET [ ] NOT MET [ ] NOTE</div>
MOE IA01-IA02	<p><b>In addition to 42 CFR 422.210, reviewers should consult PIP Disclosure Packet (most recent version).</b></p> <p><b>NOTE (IA02):</b> For the review period in question the M+CO is to disclose to the beneficiary upon request the following: (1) if the M+CO has a PIP that covers referral services; (2) the type of incentive arrangement; (3) whether stop-loss protection is provided; and (4) a summary of survey results, if a survey is required. Timeliness of disclosure to beneficiaries requesting PIP information is generally defined as within 30 days of the request.</p> <p><b>Review:</b> <input type="checkbox"/>marketing materials, <input type="checkbox"/>sample disclosure letter, <input type="checkbox"/>member services complaint logs for any complaints related to physician incentive disclosure, policy and procedures; <input type="checkbox"/> review of marketing materials and sample disclosure letter. Discuss complaint logs with specialty reviewer performing grievance/appeal review; <input type="checkbox"/>log of enrollee requests for PIP materials</p> <p><b>Interview:</b> <input type="checkbox"/>member services staff; <input type="checkbox"/> marketing staff</p> <p><b>NOTE:</b> Incentive Arrangements include functional activities related to QA, UM, MIS, Appeals and Grievances, Administration and Management, and Marketing. A determination of MET/NOT MET should be made after reviewing these sections of the <i>Review Guide</i> and discussion with specialty reviewers conducting these reviews.</p>
PHYSICIAN/PHYSICIAN GROUP PROTECTIONS	
IA03	The M+CO's incentive arrangements do not include any specific payment to be made directly or indirectly to a physician or physician group that will act as an inducement to withhold, limit, or reduce medically necessary services to an individual enrollee. OBRA '90 and 42 CFR 422.208 (c)(1); 422.210 <div>[ ] MET [ ] NOT MET [ ] NOTE</div>

<b>MOE IA03</b>	Review provider contacts for language relating to specific payments being made directly or indirectly to a physician or physician group that will act as an inducement to withhold, limit, or reduce medically necessary services to an individual enrollee. The recommended number of contracts to review is 30.
<b>IA04</b>	<p><b>If arrangements with any physician or physician group in the M+CO's network place a physician or physician group at substantial financial risk for services not directly provided (e.g., if there is risk for referral services such as specialty, inpatient, outpatient, laboratory, or etc.), then the following [IA04a - IA04d (below)] are met according to the instructions in the annual disclosure forms and elsewhere.</b></p> <p><b>42 CFR 422.208(c)(2); 422.210(a)(3)</b></p> <p style="text-align: right;"><b>[ ] MET [ ] NOT MET [ ] NOTE</b></p>
<b>MOE IA04</b>	Determine if the M+CO is meeting the requirements outlined in the annual disclosure forms. All <u>applicable</u> sub-elements [IA04a - IA04d] must be met, in order for IA04 to be met.
<b>IA04a</b>	<p><b>The M+CO discloses to HCFA per the instructions in the annual disclosure forms.</b></p> <p><b>42 CFR 422.210 (a)</b></p> <p style="text-align: right;"><b>[ ] MET [ ] NOT MET [ ] NOTE</b></p>
<b>MOE IA04a</b>	<p>Review PIP disclosure packet to determine if the M+CO discloses to HCFA per the instructions in the annual disclosure forms.</p> <p><b>NOTE:</b> For site-visit, ROs should obtain from CO, the most recent PIP disclosure forms/charts. The RO should review this as part of the pre-site visit materials. (This data may be available to ROs electronically). Since the Central Office Plan Manager is responsible for determining compliance with IA04 a-d, the Regional Office Plan Manager should coordinate completion of this portion of the protocol with the Central Office Plan Manager. In the event that there is a discrepancy between the PIP disclosure form and the onsite findings, contact Central Office Plan Manager. [The Central Office Plan Manager should inform the PIP Performance Workgroup <del>if</del> <b>of</b> any discrepancies.] <b>If the most recent PIP disclosure was not submitted by the M+CO, the M+CO has failed to meet the requirements of AM02.</b></p>
<b>IA04b</b>	<p><b>If physicians/physician groups are at substantial financial risk (SFR) <del>for services that the physicians or physician groups do not furnish directly</del>, the M+CO <del>provides or requires adequate and appropriate stop-loss protection for the physicians/physician groups.</del> 42 CFR 422.208(d) &amp; (f) <b>ensures that all physicians/physician groups who are at SFR have either aggregate or per-patient stop-loss protections in accordance with 42 CFR 422.208(f).</b></b></p> <p><b>Cross refer AM10(m)</b> <b>42 CFR 422.208(c)(2) and (f)</b></p> <p style="text-align: right;"><b>[ ] MET [ ] NOT MET [ ] NOTE</b></p>

<b>MOE IA04b</b>	<p><b>Note: Stop-Loss obligations do not apply if 25,000 lives are covered under the incentive arrangement consistent with HCFA's pooling requirements.</b></p> <p><b>Provider Contracts:</b>  <b>Determine/Review:</b>  <input type="checkbox"/> a sample of provider contracts to ascertain the validity of the data disclosed to HCFA. For example, if the M+CO reports that no risk for referrals is transferred to physicians or physician groups, then the language in sampled contracts should substantiate the fact that no risk for referral services is transferred. Do physician/physician group contracts clearly state the incentive arrangements and the exposure of the physician/physician group to risk for referral services? The recommended number of contracts to review is 30.  (Cross refer WS AM-01, AM10(m))</p> <p>Transfer results of physician/physician group contract review to worksheet WS-IA1.</p> <p><input type="checkbox"/> Verify that the M+CO provides or requires adequate and appropriate stop-loss protection for the physicians/physician groups if physicians/physician groups are at substantial financial risk.</p> <p><b>Interview:</b> Any or all of the following, as the reviewer determines is necessary: <input type="checkbox"/> Executive Director, Medical Director, Utilization Review Coordinator, QA director, and member services staff / managers. <input type="checkbox"/> Physicians, physician office managers, IPA/medical group staff, and ask for their perspective. Determine how well they understand incentive arrangements and assess the PIP impact on them. Are they provided a timely and understandable report of their risk account? Is there understanding of the incentive arrangements that they have agreed to with the M+CO?</p>
<b>IA04c</b>	<p><b>If the physician/physician group has avoided a determination of SFR by pooling patients (25,000+), then the pooling of patients <u>is</u> consistent with HCFA's stated pooling policy. 42 CFR 422.208(g)</b></p> <p style="text-align: right;">[ ] MET [ ] NOT MET [ ] NOTE</p>
<b>MOE IA04c</b>	<p>Verify that M+CO's methodology for pooling patients is consistent with HCFA's pooling policy as outlined in the PIP disclosure. The pooling rules first appeared in the 12/31/96 F.R. notice which modified the PIP regulation. The five rules that must be met before pooling can be allowed are:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> pooling is otherwise consistent with the relevant contracts governing the compensation arrangements for the physician or physician group;</li> <li><input type="checkbox"/> the physician or physician group is at risk for referral services with respect to each of the categories of patients being pooled;</li> <li><input type="checkbox"/> the terms of the compensation arrangements permit the physician or physician group to spread the risk across the categories of patients being pooled;</li> <li><input type="checkbox"/> the distribution of payments from the risk pool to physicians is not calculated separately by patient category; <b><i>and</i></b></li> <li><input type="checkbox"/> the terms of the risk borne by the physician or physician group are comparable for all categories of patients being pooled.</li> </ul>
<b>IA04d</b>	<p><b>If required, the M+CO conducts annual customer satisfaction surveys of both current enrollees and those who have disenrolled in the last 12 months to determine their level of satisfaction with the quality of and access to care provided within the M+CO network. 42 CFR 422.208(h)</b></p> <p style="text-align: right;">[ ] MET [ ] NOT MET [ ] NOTE</p>

<b>MOE IA04d</b>	<p><b>NOTE:</b> Regulations require that the survey be administered annually, <b>if providers are at substantial risk</b>. 42 CFR 422.208(h). <b>However HCFA administration of the CAHPS surveys (enrollee and disenrollee) allows HCFA to deem that the M+CO's survey requirements are met. (See August 5, 1999, note to health plans on HCFA's website at: <a href="http://www.hcfa.gov/medicare/physincp/survply.htm">http://www.hcfa.gov/medicare/physincp/survply.htm</a>)</b></p> <p><b>If the M+CO is required to conduct an enrollee survey:</b></p> <p><b><u>Determine/Review:</u></b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <del>Did the M+CO participate in a satisfaction survey?</del></li> <li><input type="checkbox"/> <del>if the M+CO conducted survey meets the requirements of 42 CFR 422.208(h) regarding sample, design, implementation, enrollee satisfaction with quality and access, and timing.</del></li> <li><input type="checkbox"/> What is done with the information gained from the survey (are results related to quality and access fed into the M+CO's QAPI process?).</li> <li><input type="checkbox"/> Is the summary survey statement provided to inquiring enrollees and potential enrollees upon request?</li> <li><input type="checkbox"/> <del>M</del>mechanisms the M+CO uses to assess its protection of enrollees? If the M+CO has contracting physicians at SFR, the reviewer should check to see if the plan is profiling these physicians, specifically, for both over and under utilization. [Coordinate review of Incentive Arrangements with review of M+CO's QA, UM, MIS, Appeals and Grievances, Administration and Management, and Marketing].</li> </ul> <p><b><u>Interview:</u></b> Any or all of the following, as the reviewer determines is necessary: <input type="checkbox"/> Executive Director, Medical Director, Utilization Review Coordinator, QA director, and member services staff / managers. <input type="checkbox"/> Physicians, physician office managers, IPA/medical group staff, and ask for their perspective. Determine if the M+CO is incorporating the data received from the satisfaction survey into its management of the M+CO (i.e. QAPI, QA, UM, Medicare operations)</p>
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